



ARTICLE

Allison is angry, Penny is provoked. Problem is, they both work off-site. Craig, their manager, is confused.

What would you do?

How Do You Manage an Off-Site Team?

by Regina Fazio Maruca

*New sections to
guide you through
the article:*

- *The Idea in Brief*
- *The Idea at Work*
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THE IDEA IN BRIEF

HAVING employees in alternative workplaces, usually their homes, is a growing trend in management. Companies are closely monitoring the results from their own pilot projects as well as those of other firms. In this case study, acrimonious e-mails have revealed a serious rift between two at-home workers as well as larger flaws in the way the off-site program is managed.

Craig, manager at the hypothetical Impressions Corporation, has two work-at-home employees at each other's virtual throats. His off-site program grew gradually, and while he's proud of the increased volume, he bemoans his lack of connection with his people. Now, Allison is threat-

ening to quit because Penny acts domineering, and Penny—whom Craig sees much more frequently—thinks Allison is falling down on the job. The e-mails are coming fast and furious.

This hypothetical situation and the expert commentary illustrate that alternative workplaces are not just a matter of “give ‘em a laptop and a cell phone.” If anything, the new virtual organization calls for more thoughtful planning and attentive management than traditional workplaces do. The experts agree that an immediate, face-to-face meeting and reconciliation between Allison and Penny is paramount, but manager Craig has more work to do to ensure the long-term success of his off-site project.

THE IDEA AT WORK

THE experts distill five key principles from the situation at Impressions Corporation:

- 1. Managing people off-site requires even more rigorous management to maintain personal contact.** The goal is not simply to have the people who happen to be in the office feel connected. You want everyone—wherever they're located—to be on board. Regular face-to-face meetings and scheduled social events can help you accomplish this.
- 2. Appropriateness, not just accessibility, should be the reason that people receive choice assignments or invitations to meetings.** Woody Allen said that most of life is just showing up—but managers who favor off-site employees who just happen to show up more frequently in the office are asking for trouble.
- 3. Managers, especially those steeped in the traditions of an earlier era, should receive special training about how to oversee an alternative workplace.** For example, off-site employees may require more attention through appropriate media—say e-mail or videoconferencing—to keep them feeling and acting like part of the team.

4. E-mail is great for quick and routine matters, but it shouldn't be used for sensitive issues. Careless writing or outright malice when using e-mail can cause a minor mix-up to spin out of control.

5. When conflict does arise, the manager must address the problem directly. Take stock of the composition of the team, the assignments—anything that may have caused the current problem and that may lead to further complications. Let all team members make suggestions about improving the situation.

Who's in charge? Although yesterday's hierarchy is giving way to today's teams, every team—even one that's geographically dispersed—needs clearly identified leaders whose roles and responsibilities are unambiguous.

*When people are telecommuting,
you can't communicate too much.*

How Do You Manage an Off-Site Team?

by Regina Fazio Maruca

Thursday, April 23
message from: allisonscher
to: craigbedell

Craig,

I was very disturbed to learn that you met with Penelope without my knowledge to discuss my performance. As I said in my memo to you of April 21, the situation between me and Penelope has been building for some time, and it has nothing to do with my performance.

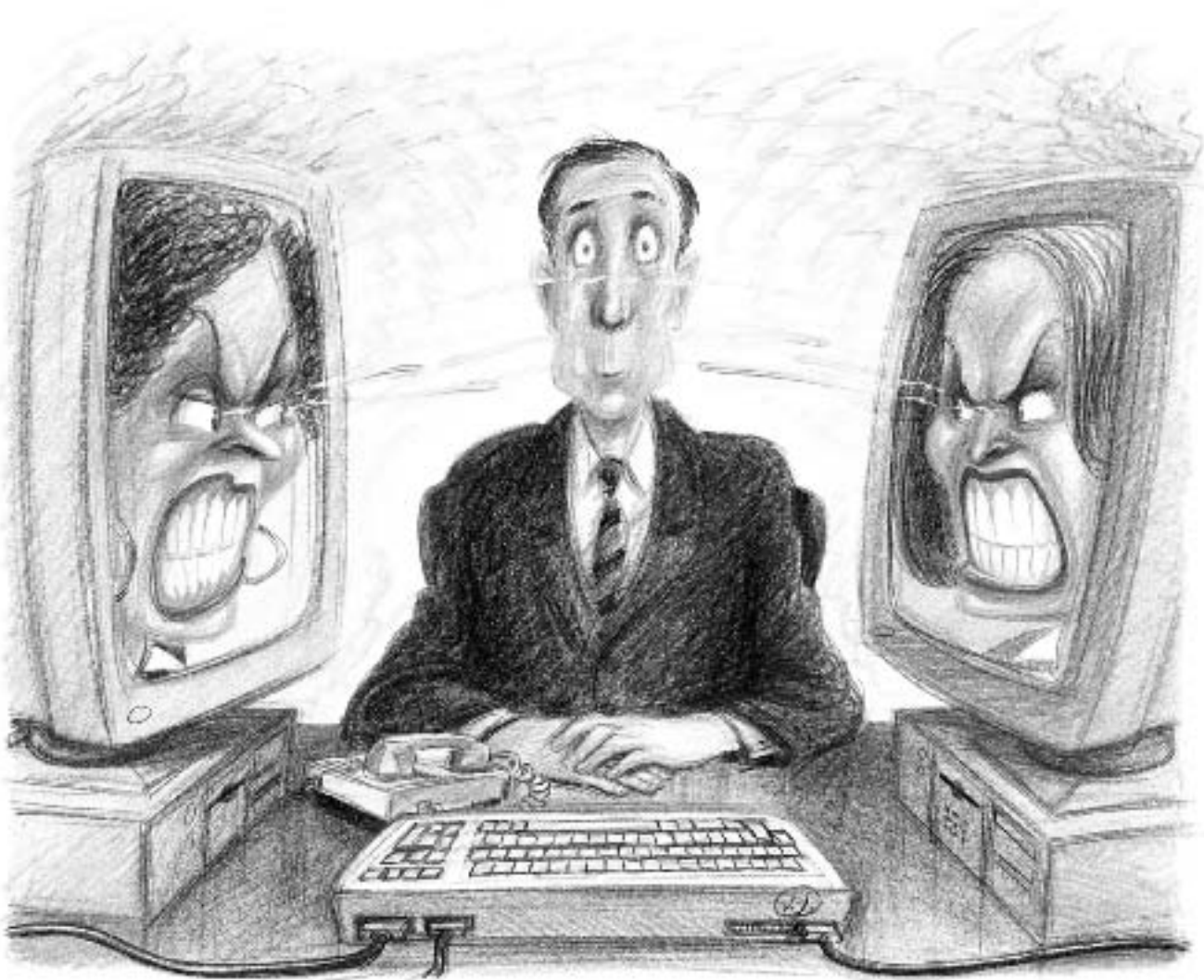
Here's one example: Last week, when the two of us were meeting with the client rep, she contradicted me right in front of him. I had been

explaining the timing of the rollout, and she jumped right in and said, "No, Allison, that's not right. We're using this schedule." And then she handed the client a printout with a schedule I had never even seen, much less agreed to.

That was not the first time that she has made decisions regarding the Pnobscott account behind my back and then embarrassed me in front of the client. At first, I attributed her behavior to the fact that she was not used to communicating from an off-site location. As you know, it has been only two months since she be-

gan working part-time from home, which was just when the Pnobscott project was getting under way. In fact, when I voiced my concerns to her, she said she'd had difficulty with her E-mail, but that she'd consulted with the other members of the team and the problem wouldn't happen again.

But as I considered her excuses and thought about her behavior, I realized my initial theory wasn't plausible. I have been working outside of the office for over a year now, and I know that it isn't that difficult to stay in touch. And so I must con-



clude that her behavior is not about being off-site – it is a personal vendetta of some kind against me and other members of the team. Other members of the team who are off-site feel the same way. If this situation is not resolved soon, I fear that I will have to consider alternative employment. Please respond immediately.

Allison

It was 1:45 on Friday. Maggie Pinto, head of human resources at Impressions Corporation, finished reading the printout of the E-mail and whis-

tled softly. Sitting across the desk from her, Craig Bedell, head of the business-to-business division, nodded. "Of course, I E-mailed Allison right back to let her know that my meeting with Penny was strictly to discuss the Pnobscott campaign. I wrote that we had not discussed Penny's relations with the other team members. And I called her as well and left a similar message on her voice mail. Then I thought about it some and called her again, leaving a message that I wanted to see her – with Penny – in my office on Monday at 9:30. Right after I did that, I left a

message for Penny telling her the same thing.

"I have to say, Maggie, I'm at a loss. I mean, sure, I know what to do at the meeting on Monday. I'm going to tell them both, gently, that I understand that there has been some conflict between them, and then I'm going to use all of my skills as a facilitator and manager," he paused, smiling, "to get them to put all their cards on the table and work through the problem."

Regina Fazio Maruca is an associate editor at HBR.

Bedell stopped smiling. "The thing I'm at a loss about is just how the situation got to this point without my knowledge. I know that two years ago, when everyone was working right under my nose, I could tell immediately if something was up.

Bedell stopped smiling. "Two years ago, when everyone was working right under my nose, I could tell immediately if something was up."

I could see it in people's stances, hear it in their tones of voice. But now that we're all working off-site part of the time, and communicating a lot more by E-mail and voice mail, it's a lot harder to monitor how my people feel. I know the work gets done, and I see almost everyone at least once every other week in our group meeting. I also try to check in with people at least every other day. Clearly, though, when a group of employees tries to manage a conflict on its own, as the Pnobscott team has, I'm totally out of the loop until it's either resolved or too late. In this case, it may be too late."

"Didn't you have any warning that there was tension between Penny and Allison or between Penny and other members of the Pnobscott team?" Pinto asked.

"Not really," Bedell answered. "I mean, I know that there's some bad history between Penny and Allison, but I thought they were well past it. Back when we were all working out of this building, Allison once came to me quite upset, saying that Penny had lied to a client about why a campaign had come in over budget. She said that Penny had alluded to the client that it was Allison's fault. I talked with Penny alone, then with both of them together, and we all agreed that it had been a miscommunication. Penny even offered to write a letter to the client saying that if a wrong impression had been given, she wanted to correct it. But Allison declined the offer—with my support. Bad enough if the client had been

given the wrong impression, but better to let it stand than to go back and pick at it.

"Since then, though, everything has been fine. I mean, the usual once-in-a-while conflict between coworkers, but nothing to speak of.

In fact, I sort of attributed that whole incident to the fact that Allison was having marital problems at the time. I thought it was largely a case of displaced anger. She was flying off the handle once a week—about a lot of things of little or no consequence.

And her relationship with Penny since then has seemed pretty solid. Allison and Penny were part of the group that designed the Franco-Line campaign last year, the one that received the AdVice award from the trade association. They were all lovey-dovey during that campaign, and afterwards, too, or so I thought. Now this." He broke off, sighing.

"So there was no indication of conflict?" Pinto prodded.

"Well, I'll show you the two relevant E-mails I received before that last one, but keep in mind, I just got those this week as well," Bedell said. He held out two pieces of paper.

Pinto picked her glasses up off her desk and put them on. "This is clearly something I need to be able to read without squinting," she said with a small smile. She took the messages and began to scan the first one.

Tuesday, April 21 message from: allisonscher to: craigbedell

Craig,

I'm sorry to dump this on you by E-mail, but I have been unable to reach you in person today by phone, and I'm at the end of my rope here. I find that I will no longer be able to perform my job to the high standards that I generally deliver if I must continue to work with Penelope. Although she is not my supervisor, she behaves as if she were, causing stress within our team and making us feel like we're giving subpar service to the client.

She has also insinuated, on several occasions, that my performance re-

view and my bonus will be affected if I do not obey her instructions.

To the best of my understanding, Penelope is my equal in this organization, not my superior. I was under the impression that Penelope and I were to be teammates on the Pnobscott account. In fact, since I have several years more experience than her, I was more than happy to shoulder the responsibility of being the unofficial team leader.

I (we) are not going to be able to deliver a seamless public-relations campaign to this client on time. I (we) will not be able to deliver any sort of coherent campaign to them at all if I have to spend 90% of my time defending myself in front of the client and responding to allegations that she makes privately and in the team's intranet chat room, and only 10% of my time working.

Craig, I trust that you will deal with this situation promptly. I look forward to hearing from you.

Allison

"That was the first I heard of it," Bedell said as Pinto looked up. "I had received two voice mail messages from Allison earlier in the day, but neither one said anything more than that she wanted me to call back 'when I got a chance.'"

"But this looks quite serious," Pinto said.

"Yes and no," Bedell answered. "Of course, when I received that message, I immediately E-mailed back and suggested that the three of us—Penny, Allison, and I—meet later in the week, face-to-face. I didn't E-mail Penny at that time; I wanted to see what Allison's schedule looked like, and I also wanted to get a handle on whether the situation was as serious as it looked in print. You have to know Allison," he said. "Even on a good day, she overreacts. But then she bounces back. She explodes, she cries, and then she's fine. That's how she operates.

"Anyway, in her reply, Allison said that she wouldn't be able to come into the office until next Monday. So I thought, fine, she's past the explosion; we'll leave it at that."

Pinto nodded and then looked down at the next message. "This one

is from Penny," Bedell explained. "I had called her very early Tuesday—long before any of the messages from Allison—and left her a voice mail asking if we could get together, face-to-face, to discuss how the team was progressing on the Pnobscott campaign." Pinto looked puzzled, and Bedell quickly continued, guessing correctly that she was unsure about Penelope's role. "Penny isn't the official team leader," he explained, "Allison is right. But I do tend to meet with her in person more than I do with the others because she is generally in the office more."

Wednesday, April 22
message from: peneloperyan
to: craigbedell

Craig,

I'm next in the office tomorrow. Let's plan to meet at 10:00, if that's okay with you. The Pnobscott campaign is moving along, but I'm glad that you checked in because there is a situation I need to discuss with you in person. So that you won't be blindsided, I think you should know that it has to do with Allison. Her performance has been extremely erratic lately, and I think you will need to step in and at least have a talk with her.

Thanks,
 Penny

"What could I say—'No, I won't meet with you until I can meet with both of you?' Remember, I didn't think that there was *real* trouble brewing at that point. Anyway, I did meet with Penny Thursday morning, and we talked about the campaign. I did not say anything about Allison being upset, but I did ask Penny about the mention of Allison in her E-mail. Penny said that we didn't need to talk about it right then. She said there had been some tension, but she and Allison were working it out. It was much later in the afternoon when I got the final message from Allison."

Pinto looked past Bedell, out the window at the parking lot. She was silent for a minute or so. Then she refocused her gaze on him. "This is quite troubling. Watching you handle a group of 20 people working at

different times and from different locations was giving us in the HR department the idea that it was almost time to roll out a companywide flextime experiment. But now it looks like we may have been wrong."

"Regardless," Bedell said impatiently, "I'm facing a problem here, and I don't know what to do. I'm not here to analyze or defend the way my department works. For the record—and you know this is the case—we are doing the best work we've ever done. But yes, you should consider rolling out a flextime, off-site program throughout the company. Look at how our account reps work on the road. When they meet with a client, their teammates don't have to wait until they return for a full report. They use the intranet chat room to get caught up and push ahead in real time, and our rep goes back to the client that afternoon or the next morning with a fleshed-out plan or a whole set of new ideas. We're not wasting time anymore, and we have a bigger client load to prove it."

He calmed down and continued speaking, but slower. "It's just that some days—to-day being one of them—I do feel as though I am totally disconnected from the people I manage, even though I'm more 'connected' to them than I ever have been."

Pinto raised her eyebrows, and Bedell quickly went on. "It's not that I don't trust them," he said. "They're dedicated workers, and they don't take the increased freedom they have with this new arrangement for granted. Allison is a good example, actually. She has to take care of her father now, and the new arrangement lets her work out of her house most days. Penny has two young children at home, and she says that working at home two days a week has really helped her get more work done and, at the same time, balance work life and family life. Marc Peterson, John Washington, Meredith Lott, and most of the others are the same—their schedules are their own, and they're doing good work."

"The problem is, I don't *see* them doing their work, and more important, I don't see them *interacting* as they do their work," he finished, shaking his head.

"Maybe you've given them too much freedom," Pinto suggested. "As I understand it, each of your employees sets his or her own schedule, save for the meetings you call in the office. Perhaps a more limited flexible arrangement..."

"Sure, if we were starting from scratch," Bedell agreed. "But remember, our arrangement started two and a half years ago when Bob Rothman's wife started working the night shift at the hospital. He wanted to be able to see his wife during the day, so he asked if we could give him a laptop and a modem and let him work at home. He stayed in touch daily, and he pioneered the idea of meeting electronically when he was on the road. The arrangement grew on a case-by-case basis from there. You know the rest of the story."

Pinto nodded. "I do," she said. "And I know that it would be diffi-

"Maybe you've given them too much freedom,"
Maggie Pinto suggested.
"Perhaps a more limited flexible arrangement..."

cult to backtrack—to undo a situation that is already rooted." She paused, then continued. "Look, Craig, I'm afraid I don't have a ready answer for you. I'll have to think about this whole situation and solicit some input from a few other people. I have a meeting at 2:30, but let's reconvene at, say, 5:00?"

HBR's cases present common managerial dilemmas and offer concrete solutions from experts. As written, they are hypothetical, and the names used are fictitious. We invite you to write to Case Suggestions, Harvard Business Review, 60 Harvard Way, Boston, MA 02163, and describe the issues you would like to see addressed.

Can the rift between Allison and Penny be mended?

Four experts offer their advice on the complexities of managing off-site employees.

Communicating electronically will never be as effective as speaking with someone in person.



ROBERT M. EGAN

is director of international mobility for IBM. He works out of a mobile office near Salt Lake City, Utah.

In theory, the rules of management shouldn't change when you are supervising people you don't see face-to-face.

But communicating electronically is not, and never will be, as effective as speaking with someone in person and observing his or her facial expressions and body language. Telephone conversations are the next best thing—you can at least hear subtleties in the other person's tone of voice. The use of voice mail is a very distant third. And E-mail, because of its impersonal nature, is an even less desirable option. It is quicker but no more effective at bringing people together to resolve

complex issues than old-fashioned letter writing.

That's why, in practice, managing people in off-site locations means that a more rigorous management approach is needed.

Craig Bedell clearly did not recognize the need for a change in his behavior. He didn't understand that when a team and its manager are not meeting face-to-face regularly, they are necessarily dependent on electronic communications for most of their interactions. And he didn't foresee that in such an environment, problems that may have been insignificant or easily resolved in the office tend to escalate quickly and spin out of control.

That's exactly what has happened in this case. A mixed-up series of communications by voice mail, E-mail, and in person has blown up and may cost the company in a big way. Craig's wishy-washy approach to the question of team leadership has left Allison Scher bitter and Penelope Ryan the target, although she may not realize its full extent, of the team's enmity. In a flexible environment, the establishment of formal organizational authority and responsibility are critical. Craig's method has been to meet with—and thus to exchange information with—the team member who is most often in the office. This is poor management, and he was asking for trouble. Further, Craig reacted too slowly to the various messages he received, and he should not have relied on E-mail to respond to any of them. At least he finally recognized that he

needs to meet with both employees face-to-face.

My recommendations are directed at Maggie Pinto. First, she should not abandon her plan to roll out a companywide flextime plan. However, the company should learn from its current difficulties and institute formal training for managers to teach them about communicating in a telecommuting environment.

Second, Maggie should be understanding about Craig's missteps. He was trained to manage in a different world and has no experience in this one. At the same time, she was right in saying that Craig had given his employees too much freedom. And she and her department also bear some of the responsibility for not foreseeing the kinds of difficulties that would crop up in the new system. But that's all water under the bridge. How should Impressions Corporation move forward?

Maggie should advise Craig to take the following steps:

- First, when meeting with Penny and Allison on Monday morning, take the blame for the current mess, let the women vent their feelings, and lead a discussion about how the team can work together in the best interests of the client.
- Second, choose a team leader—based on the person's skills and experience, not his or her accessibility—and make the choice official at a team meeting.
- Third, set up a formal review schedule to track the team's progress on its various projects; all the team members should participate in this

Craig's method has been to meet with the person who is most often in the office. This is poor management.

meeting face-to-face or at least by telephone, and the team leader should direct the discussion.

- Fourth, to avoid allowing small misunderstandings to become major conflagrations, resolve to rely on the most effective communication

methods, not just the most expeditious ones.

Working in a mobile environment gives employees tremendous advantages. Being able to work at home part of the time allows them a better balance between work and home life and can substantially increase both productivity and morale. But those benefits can only be realized by the company when its managers and employees have a clear understanding of the rules and a commitment to open and honest communication.

I wouldn't be surprised if other team members express concerns that are not too different from the ones Craig has already heard from Penny and Allison.



WENDY MILES

is a project manager at Holland America Line Westours in Seattle, Washington. She is also the secretary of the International Telework Association and Council, a nonprofit organization whose mission is to provide education and information on telework.

In the short term, Craig Bedell and Maggie Pinto definitely need to address the conflict between Allison Scher and Penelope Ryan; they both seem to be valued employees, and the sooner their issues are resolved, the better. But the two managers should be careful about how they go

about their counseling. The obvious way to do it would be to mediate a discussion between the two women. In fact, that's what Craig plans to do. But if they stop there, I fear they'll be missing an opportunity to address the larger issue at hand: whether or not this team is organized appropriately for the work that they are supposed to be doing. If Craig and Maggie address the larger issue, they will be able to prevent smaller conflicts from occurring between other team members in the future. They'll also take a big step toward understanding the particular management requirements—and participant requirements—of an organization that is made up of telecommuters and people working flexible hours.

How can they address the larger issue even as they deal with the conflict between Penny and Allison? First, by explaining to each woman that their conflict seems to be a symptom of a larger issue. And second, by asking them both to participate in a teamwide meeting to discuss the projects at hand, the various jobs that must be done, and the roles each team member has or should have so that everyone will find his or her work productive, rewarding, and unencumbered by others' schedules or work habits. This meeting should include all employees in Craig's group—those who work off-site as well as those who work in the office full-time. The on-site employees are affected, too, even though we haven't heard about them in this case.

I wouldn't be surprised if, at the meeting, other team members voice concerns that are not too different from the ones Craig has already heard from Penny and Allison—or that he has sensed himself but ignored. Take Penny's tendency to shoulder responsibility whenever and wherever she can. Other members of the off-site team may also resent her actions yet feel powerless to do anything about the situation. After all, Penny is "in"

more than they are. Internally, support staff and other team members may resent her apparent power; they may also feel put-upon by their need to accommodate their colleagues' more flexible schedules.

I'll bet that a good deal of the fallout from the meeting will point to

Is this team organized appropriately for the work they are supposed to do?

the need for Craig to reassess his own management style. Do the rules of management change when people work off-site some or all of the time? No. But in a nontraditional office setting, managers may find that they must pay closer attention to those rules than they ever did before. To date, it seems as if Craig has been coasting along, letting the telecommuting and flextime arrangements of his employees take shape without his guidance, letting his team try to work without direction, and letting conflicts take their course without his input. It's time for him to remember his own role. He needs a better understanding of what's going on; he needs to develop a clear work process for his employees to follow; and he needs to improve his communication skills.

If the telecommuting arrangement has gotten out of hand, he needs to

How about agreeing that everyone—no matter his or her location—will be "at work" and reachable between 11:00 and 2:00 every day?

help his employees find an acceptable compromise. How about a group meeting once or twice a week—or at least a group teleconference? How about agreeing that everyone—no matter what his or her location is—will be "at work" and reachable between 11:00 and 2:00 every day?

Craig does not need to backtrack on all the hard work his employees have done to make telecommuting a way of life. However, he does need to make sure that performance isn't suffering.

If some people find that they're most productive early in the morning or late at night, there's no reason they can't continue to work to suit their needs—as long as their work habits and styles don't hinder the performance of their colleagues or their group as a whole. From what we know, these are intelligent, hard-working people. Chances are good they know more about the problems than Craig does right now; they'll help him find a solution.

All the team members should, in fact, be asked for their input on several important questions. For example, what would they consider a correct reporting procedure to be? Has the workload been distributed fairly? And should the group even be constituted as a team?

Ironing out the larger problems will probably go a long way toward mending the rift between Penny and Allison. Craig might have a follow-up meeting between the two women, just as an added measure; but after the big team meeting, they should have a better perspective on their work, their conflict, and the possible solutions.

As I reflect on the possible outcomes of the group meeting, it occurs to me that Craig may not be the right person to lead the discussion. Especially since, as I've said, I suspect he'll take the brunt of the blame for any issues that come up, and also the brunt of the responsibility for fixing the problems.

I would recommend, therefore, that Maggie at least be present and perhaps even run the show. If trouble is indeed brewing on a scale larger than the conflict between Penny and Allison, Craig may react like a deer in headlights. If Maggie is worth her salt as the company's head of human resources, she'll have foreseen that possibility. She will be ready to diffuse the tension and give Craig some much-needed time to collect his thoughts and react constructively, not defensively.

Clients are being poorly served by a team that is not communicating, and the employees are being set up to fail by a process that doesn't work.



JOHN R. BIRSTLER

is first vice president and director of technology at Merrill Lynch in Somerset, New Jersey.

As a result of the communication breakdowns caused by the absence of a carefully developed alternative-work program, Impressions Corporation suddenly finds itself with the wrong people working at home for the wrong reasons and going about it in the wrong way.

Allison Scher and Penelope Ryan apparently worked well together when they showed up at the office every day. By allowing the two antagonists to work from home without a structured program, the company has permitted them to disengage from the things that made them successful employees in the past.

In order for alternative work programs—and their participants—to succeed, they must rest on a firm foundation. The program described in the case has no foundation at all; in fact, it is an increasingly shaky house of cards. The most obvious problems are these:

- The company has no assessment process to determine whether an employee is a suitable candidate for an alternative work arrangement.
- Employees are permitted—and even encouraged by management's tacit endorsement—to use alternative arrangements to mix work and personal obligations. But the company offers no clear guidelines that explain when people must be "at work" and when they are at liberty to handle personal affairs.
- The program has no process to ensure at least a minimal amount of "face time." The problem is made worse by the participants' almost total reliance on voice mail and E-mail to maintain contact.

Almost all companies ascribe to a set of governing principles that include *client focus* and *employee focus*. In this scenario, both clients and employees are out of focus. Instead, the lens has been trained on the quantitative gains of the program—shorter cycle times, bigger client loads—while the program is being undermined by qualitative failures—breakdowns in communication, loss of organizational identity. Clients are being poorly served by a team that is not communicating, and the employees are being set up to fail by a process that doesn't work. It is small wonder that they are failing—they lack a common agenda based on the company's values and principles.

Although a company's principles and values should remain intact regardless of where and when work is conducted, management rules and

The company has the wrong people working at home for the wrong reasons and going about it in the wrong way.

processes do change as employees begin to work off-site. Alternative work programs call for a heightened level of commitment from both the participants and their manager; such commitment is needed to ensure that logistics and the lack of face-to-

face contact do not have a negative impact on an otherwise successful work process.

Maggie Pinto and Craig Bedell need to assess the strengths and developmental needs of their telecommuters and then reconsider their work arrangements. There may be other ways to provide those employees with the work-family balance they desire while allowing them to work together effectively on their current projects. For example, they could job share, work part-time, or work a compressed work week. And telecommuting may still be a viable option if the company takes the proper corrective actions.

By conducting an assessment of their employees and matching the results to an array of work-arrangement options, Maggie and Craig will have completed what we at Merrill Lynch refer to as a *process consultation*. This activity is a fundamental component of a successful alternative-work program.

If a process consultation indicates that telecommuting is the recommended option, the employees and their manager should then participate in a structured meeting that will do the following:

- lay out the challenges and nuances of working in a nontraditional way;
- develop a comprehensive agreement on program governance, including such issues as schedules, mandatory face time, tracking progress, and reporting; and
- bring about consensus that there is shared accountability for the success of the arrangement.

Those three points are neither complex nor unique, but they are critical to the success of an alternative-work-arrangement program.

Although Impressions Corporation's program is in disarray, creating a viable alternative-work-arrangement program is certainly within the company's reach. A greater focus on principles and values, a consultative review to ensure the proper match between employee and work arrangement, and the construction of processes to give shape to its currently ambiguous program is all that this organization needs to turn its program around.

Maggie Pinto should rethink her knee-jerk reaction to Craig Bedell's dilemma. She should be thinking about the big picture.



MARGARET KLAYTON-MI
is an associate professor of business administration at Mary Washington College in Fredericksburg, Virginia, where she teaches a course on managing remote workers. She is the vice president of the International Telework Association and Council.

The problems in this case have less to do with employees working off-site than with Craig Bedell's management style.

Managing teams that work off-site requires managers to pay extra attention to matters that are often taken for granted on-site. For instance, Craig should never have assembled a team and set it to work without providing clear guidelines on team hierarchy. Who will be the team's contact person? If there is no team leader, does everyone understand his or her assignment? How are they expected to work together? If Craig meant to have a team with no leader, he should have been meeting with all the members together rather than individually. By asking Penelope Ryan to meet face-to-face with him for a progress report, Craig showed

preferential treatment. He discussed issues important for the whole team with her and may have given her information meant for all of them. That would explain Allison Scher's complaint that Penny is presenting information to the client that she has not seen.

Hindsight is 20/20. And Craig can't turn back the clock. Instead, he must focus on the future—both the short term and the long term. Before meeting with Penny and Allison on Monday, Craig needs to get information about the situation from other team members. He should find out, for example, if they really do feel the same way that Allison does about Penny. At the meeting itself, he should lead an open—and open-minded—discussion with the goal of reknitting bonds of trust and loyalty between the two women and, by extension, among the whole team. In the end, because of the evident confusion over the team's leadership, he may want to tell Penny and Allison that he will be designating an official team leader when the entire team meets again.

In the future, Craig should “over-communicate” with his employees. He is frustrated because he doesn't see them in person often enough; nor does he see the team interacting. To alleviate his feelings of disconnection, he should meet face-to-face every week with the team, instead of every two weeks. In addition, the team members should submit status reports at regular intervals. These meetings and reports will allow him to give feedback at all times, not just

Craig should never have assembled a team without providing clear guidelines on team hierarchy.

in times of trouble. And he will be better able to sense any major crises that are developing.

In general, Craig's managerial situation is similar to that of managing a sales force in the field. Thus he would benefit from a training ses-

sion on how to manage a dispersed workforce. In addition, he probably could use a refresher course on developing relationship skills and another one on developing communication skills.

Other players in the case need to examine their behavior. Penny, for example, should consider her work habits. She has not adjusted smoothly to working off-site. First, although her E-mail is working properly now, she must make use of backup communication procedures. She and the other team members should visit the intranet chat room routinely for messages. And they should use voice mail to alert others if they have sent any important E-mail messages. Second, she comes into the office more often than other team members do. She may need a structured environment in which to work; she may also want to maintain high visibility for reward and promotion opportunities. Or she may be feeling frustrated that she is not getting the information she normally would by going in

every day to the office. A formal screening process would have revealed that Penny's work habits and personality make her an unsuitable off-site employee.


Maggie Pinto should rethink her knee-jerk response to Craig's dilemma. As the head of human resources, she should be thinking about the big picture. If she does, she'll realize that she should not back off from her plan to roll out a companywide flextime program. Formalizing the rough guidelines that are in place now would help Allison and new telecommuters feel that they are being treated fairly.

The company's managers need to take part in an extensive training process. The training should include how to establish and communicate clear, realistic objectives and expectations; how to define what work is due when; how to give ongoing, clear, and specific feedback to their

employees; how to demonstrate openness and loyalty; and how to mentor workers to be self-starters. Off-site employees need similar training in how to communicate and work effectively away from the office. And on-site employees also need

A formal screening process would have revealed that Penny's work habits make her an unsuitable telecommuter.

training to work effectively in the new environment.

When a company has clear policies and guidelines and a strong training program in place, off-site work arrangements can result in increased productivity and higher morale for all concerned. 

Product no. 3685

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ARTICLES

"The Discipline of Teams" by Jon R. Katzenbach and Douglas K. Smith (*Harvard Business Review*, March–April 1993, Product no. 4428)

The authors describe a basic discipline that's absent from Craig's off-site team: whether you're talking about Hewlett-Packard, Operation Desert Storm, or the Girl Scouts, for any group to meld into a team, the individuals must become a unit of collective performance. Management's role is to clarify the performance challenge and leave enough flexibility for the team to develop its own goals, timing, and approach. The team's mix of skills is key. Initial meetings are important, as team members get initial impressions and take cues from managers. Team members should spend time together and use one another's feedback.

"The Alternative Workplace: Changing Where and How People Work" by Mahlon Apgar, IV (*Harvard Business Review*, May–June 1998, Product no. 3677)

Was Craig's organization right for the virtual workplace? Benefits can include reduced costs, productivity gains, and intangibles such as improved employee attitude. Yet, the alternative workplace isn't necessarily right for every business or position. Are your managers ready for a new culture and new ways of operating? Can you identify which jobs and projects can readily be done by employees at home? Are you prepared to respond when more traditional employees resist? If all signals are green, then start with a simple pilot project and expand and improve based on participants' feedback. Most important, make sure leaders know how to manage off-site

teams—an important point in light of the Impressions case study.

BOOK

***The Work of Teams*, Jon R. Katzenbach, editor** (Harvard Business School Press, 1998, Product no. 8680)

Some years ago, Sony wanted to explore the possibility of adding a small office computer to its product line. The firm assigned the task to a group of 11 "misfit" engineers. Left on their own, the engineers got interested in designing an engineering workstation instead, and they produced a market-ready product in only six months. Within one year, the product took over 20% of the Japanese workstation market. Sony never got the computer it wanted, but it got a lot more in performance results than it expected. With this intriguing story, Katzenbach introduces a collection of *HBR* articles that explores how to create and manage teams. Although not specifically focused on the virtual workplace, the book sheds light on situations like those faced by Impressions Corporation.

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